

<i>SERFF Tracking Number:</i>	<i>LHLI-125796397</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Lincoln Heritage Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>40115</i>
<i>Company Tracking Number:</i>	<i>15Y2MDB07-AR SR</i>		
<i>TOI:</i>	<i>L07I Individual Life - Whole</i>	<i>Sub-TOI:</i>	<i>L07I.101 Fixed/Indeterminate Premium - Single Life</i>
<i>Product Name:</i>	<i>15 pay modified benefit life insurance policy</i>		
<i>Project Name/Number:</i>	<i>15 pay mdb policy/15Y2MDB07-AR et al</i>		

Filing at a Glance

Company: Lincoln Heritage Life Insurance Company

Product Name: 15 pay modified benefit life insurance policy SERFF Tr Num: LHLI-125796397 State: ArkansasLH

TOI: L07I Individual Life - Whole SERFF Status: Closed State Tr Num: 40115
 Sub-TOI: L07I.101 Fixed/Indeterminate Co Tr Num: 15Y2MDB07-AR SR State Status: Withdrawn

Premium - Single Life
 Filing Type: Form Co Status: Reviewer(s): Linda Bird
 Authors: Cathy Patterson, Wanda McNeece, Sally Roudebush, Rodney Hartwig
 Date Submitted: 08/28/2008 Disposition Date: 11/19/2008
 Disposition Status: Withdrawn

Implementation Date Requested: On Approval Implementation Date:
 State Filing Description:

General Information

Project Name: 15 pay mdb policy	Status of Filing in Domicile: Authorized
Project Number: 15Y2MDB07-AR et al	Date Approved in Domicile: 08/21/2008
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Individual
Submission Type: New Submission	Group Market Size:
Overall Rate Impact:	Group Market Type:
Filing Status Changed: 11/19/2008	
State Status Changed: 11/19/2008	Deemer Date:
Corresponding Filing Tracking Number:	

Filing Description:

Forms: FEAPP07-AR – Application for Individual Whole Life Insurance
 15Y2MDB07-AR – 15 pay Modified Benefit Life Insurance Policy
 15Y3MDB07-AR – 15 pay Modified Benefit Life Insurance Policy
 MDB3YEND07 – Three year Modified Benefit Endorsement

<i>SERFF Tracking Number:</i>	<i>LHLI-125796397</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Company Tracking Number:</i>	<i>15Y2MDB07-AR SR</i>		
<i>TOI:</i>	<i>L071 Individual Life - Whole</i>	<i>Sub-TOI:</i>	<i>L071.101 Fixed/Indeterminate Premium - Single Life</i>
<i>Product Name:</i>	<i>15 pay modified benefit life insurance policy</i>		
<i>Project Name/Number:</i>	<i>15 pay mdb policy/15Y2MDB07-AR et al</i>		

MDBEND06 – Two Year Modified Benefit Endorsement

We submit the forms listed above for your review and approval. These forms will not be illustrated. These life insurance policies and application will be marketed to applicants through general agents licensed in the state of Indiana.

Form 15Y2MDB07-AR is a fifteen pay life insurance policy with limited death benefit for the first two years, which will be issued to applicants ages 40-85.

Form 15Y3MDB07-AR is a fifteen pay life insurance policy with limited death benefit for the first three years which will be issued to applicants ages 0 – 39.

When an applicant between the ages of 40 – 85 applies for our standard policy and only qualifies for the 15Y2MDB07-AR policy, it will be endorsed using form MDBEND06. .

When an applicant between the ages of 0 – 39 applies for our standard policy and only qualifies for the 15Y3MDB07-AE policy, it will be endorsed using form MDB3YEND07.

Form FEAPP07-AR is an application form that will initially be used to apply for these policies.

Company and Contact

Filing Contact Information

Sally Roudebush,
4343 East Camelback Road
Phoenix, AZ 85018

sally.roudebush@londen-insurance.com
(800) 433-8181 [Phone]
(602) 808-8845[FAX]

Filing Company Information

Lincoln Heritage Life Insurance Company
4343 East Camelback Road
Phoenix, AZ 85018
(800) 433-8181 ext. [Phone]

CoCode: 65927
Group Code:
Group Name:
FEIN Number: 04-2314290

State of Domicile: Illinois
Company Type: Life and Health
State ID Number:

SERFF Tracking Number: LHLI-125796397 State: Arkansas
Filing Company: Lincoln Heritage Life Insurance Company State Tracking Number: 40115
Company Tracking Number: 15Y2MDB07-AR SR
TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: 15 pay modified benefit life insurance policy
Project Name/Number: 15 pay mdb policy/15Y2MDB07-AR et al

Filing Fees

Fee Required? Yes
Fee Amount: \$250.00
Retaliatory? No
Fee Explanation: 5 forms at \$50 each = \$250.00
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Lincoln Heritage Life Insurance Company	\$250.00	08/28/2008	22188093

SERFF Tracking Number:	LHLI-125796397	State:	Arkansas
Filing Company:	Lincoln Heritage Life Insurance Company	State Tracking Number:	40115
Company Tracking Number:	15Y2MDB07-AR SR		
TOI:	L071 Individual Life - Whole	Sub-TOI:	L071.101 Fixed/Indeterminate Premium - Single Life
Product Name:	15 pay modified benefit life insurance policy		
Project Name/Number:	15 pay mdb policy/15Y2MDB07-AR et al		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Withdrawn	Linda Bird	11/19/2008	11/19/2008

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Linda Bird	09/08/2008	09/08/2008	Sally Roudebush	11/19/2008	11/19/2008
Pending Industry Response	Linda Bird	09/03/2008	09/03/2008	Sally Roudebush	09/04/2008	09/04/2008

<i>SERFF Tracking Number:</i>	<i>LHLI-125796397</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Product Name:</i>	<i>15 pay modified benefit life insurance policy</i>		
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Disposition

Disposition Date: 11/19/2008

Implementation Date:

Status: Withdrawn

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: LHLI-125796397 State: Arkansas
Filing Company: Lincoln Heritage Life Insurance Company State Tracking Number: 40115
Company Tracking Number: 15Y2MDB07-AR SR
TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life

Product Name: 15 pay modified benefit life insurance policy
Project Name/Number: 15 pay mdb policy/15Y2MDB07-AR et al

Item Type	Item Name	Item Status	Public Access
Supporting Document	Certification/Notice		Yes
Supporting Document	Application		No
Supporting Document (revised)	Life & Annuity - Acturial Memo		No
Supporting Document	Life & Annuity - Acturial Memo		No
Form (revised)	15 Pay MDB Life Insurance		Yes
Form	15 Pay MDB Life Insurance		Yes
Form (revised)	15 Pay MDB Life Insurance		Yes
Form	15 Pay MDB Life Insurance		Yes
Form	Application for life insurance		Yes
Form	2 year endorsement		Yes
Form	3 year endorsement		Yes

SERFF Tracking Number: LHLI-125796397 State: Arkansas
Filing Company: Lincoln Heritage Life Insurance Company State Tracking Number: 40115
Company Tracking Number: 15Y2MDB07-AR SR
TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: 15 pay modified benefit life insurance policy
Project Name/Number: 15 pay mdb policy/15Y2MDB07-AR et al

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 09/08/2008
Submitted Date 09/08/2008

Respond By Date

Dear Sally Roudebush,

This will acknowledge receipt of the captioned filing.

Objection 1

- 15 Pay MDB Life Insurance (Form)
- 15 Pay MDB Life Insurance (Form)

Comment: Thank you for your response to our 09/03/2008 objection letter. The policy forms do not meet the requirements of bulletin 8-85 Guideline One.

The death benefit can not be a return of premium with or without interest. The death benefit will need to be a set dollar amount or % of face amount for the reduced benefits in the first years.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

Response Letter

Response Letter Status Submitted to State
Response Letter Date 11/19/2008
Submitted Date 11/19/2008

Dear Linda Bird,

Comments:

Response 1

Comments: We are respectfully withdrawing this filing at this time.

Thank you for your help and patience.

SERFF Tracking Number: *LHLI-125796397* *State:* *Arkansas*
Filing Company: *Lincoln Heritage Life Insurance Company* *State Tracking Number:* *40115*
Company Tracking Number: *15Y2MDB07-AR SR*
TOI: *L071 Individual Life - Whole* *Sub-TOI:* *L071.101 Fixed/Indeterminate Premium - Single Life*

Product Name: *15 pay modified benefit life insurance policy*
Project Name/Number: *15 pay mdb policy/15Y2MDB07-AR et al*

Sally Roudebush
Compliance Associate
Lincoln Heritage Life Insurance Company

Related Objection 1

Applies To:

- 15 Pay MDB Life Insurance (Form)
- 15 Pay MDB Life Insurance (Form)

Comment:

Thank you for your response to our 09/03/2008 objection letter. The policy forms do not meet the requirements of bulletin 8-85 Guideline One.

The death benefit can not be a return of premium with or without interest. The death benefit will need to be a set dollar amount or % of face amount for the reduced benefits in the first years.

Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,
Cathy Patterson, Rodney Hartwig, Sally Roudebush, Wanda McNeece

SERFF Tracking Number: LHLI-125796397 State: Arkansas
Filing Company: Lincoln Heritage Life Insurance Company State Tracking Number: 40115
Company Tracking Number: 15Y2MDB07-AR SR
TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: 15 pay modified benefit life insurance policy
Project Name/Number: 15 pay mdb policy/15Y2MDB07-AR et al

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 09/03/2008
Submitted Date 09/03/2008

Respond By Date

Dear Sally Roudebush,

This will acknowledge receipt of the captioned filing.

Objection 1

- 15 Pay MDB Life Insurance (Form)
- 15 Pay MDB Life Insurance (Form)

Comment: Life Policies with reduced death benefits in early policy years are subject to Bulletin 8-85. The contracts are in violation of Guideline One of this bulletin.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

Response Letter

Response Letter Status Submitted to State
Response Letter Date 09/04/2008
Submitted Date 09/04/2008

Dear Linda Bird,

Comments:

Response 1

Comments: We are in receipt of your objection dated 9/3/08 and respond as follows:

To comply with guideline one of bulletin 8-85, we have renamed the policies to prominently identify them as have policies with reduced benefits in the first years. This new name is on the face, schedule and back pages of the policies.

We have also revised the memorandums valuation certificate to reflect the new names.

SERFF Tracking Number: LHLI-125796397 State: Arkansas

Filing Company: Lincoln Heritage Life Insurance Company State Tracking Number: 40115

Company Tracking Number: 15Y2MDB07-AR SR

TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life

Product Name: 15 pay modified benefit life insurance policy

Project Name/Number: 15 pay mdb policy/15Y2MDB07-AR et al

Thank you for your help with this filing.

Sally Roudebush
Lincoln Heritage Life Insurance Company

Related Objection 1

Applies To:

- 15 Pay MDB Life Insurance (Form)
- 15 Pay MDB Life Insurance (Form)

Comment:

Life Policies with reduced death benefits in early policy years are subject to Bulletin 8-85. The contracts are in violation of Guideline One of this bulletin.

Changed Items:

Supporting Document Schedule Item Changes

Satisfied -Name: Life & Annuity - Actuarial Memo

Comment: Attached is the revised memorandum

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
15 Pay MDB Life Insurance	15Y2MDB07-AR		Policy/Contract/Fraternal Certificate	Initial		51	15Y2MDB07-AR rev.pdf
Previous Version							
15 Pay MDB Life Insurance	15Y2MDB07-AR		Policy/Contract/Fraternal Certificate	Initial		51	15Y2MDB07-AR.pdf
15 Pay MDB Life Insurance	15Y3MDB07-AR		Policy/Contract/Fraternal Certificate	Initial		51	15Y3MDB07-AR rev.pdf
Previous Version							
15 Pay MDB Life Insurance	15Y3MDB07-AR		Policy/Contract/Fraternal Certificate	Initial		51	15Y3MDB07-AR.pdf

SERFF Tracking Number: LHLI-125796397 State: Arkansas
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TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life
Product Name: 15 pay modified benefit life insurance policy
Project Name/Number: 15 pay mdb policy/15Y2MDB07-AR et al

No Rate/Rule Schedule items changed.

Sincerely,
Cathy Patterson, Rodney Hartwig, Sally Roudebush, Wanda McNeece

SERFF Tracking Number: LHLI-125796397 State: Arkansas

Filing Company: Lincoln Heritage Life Insurance Company State Tracking Number: 40115

Company Tracking Number: 15Y2MDB07-AR SR

TOI: L071 Individual Life - Whole Sub-TOI: L071.101 Fixed/Indeterminate Premium - Single Life

Product Name: 15 pay modified benefit life insurance policy

Project Name/Number: 15 pay mdb policy/15Y2MDB07-AR et al

Form Schedule

Lead Form Number: 15Y2MDB07-AR

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	15Y2MDB07-AR	Policy/Contract	15 Pay MDB Life Insurance Certificate	Initial		51	15Y2MDB07-AR rev.pdf
	15Y3MDB07-AR	Policy/Contract	15 Pay MDB Life Insurance Certificate	Initial		51	15Y3MDB07-AR rev.pdf
	FEAPP07-AR	Application/Enrollment Form	Application for life insurance	Initial		50	FEAPP07-AR.pdf
	MDBEND06	Policy/Contract	2 year endorsement	Initial		50	MDBEND06.pdf
	MDB3YEND07	Policy/Contract	3 year endorsement	Initial		50	MDB3YEND07 .pdf

LINCOLN HERITAGE LIFE INSURANCE COMPANY
An Illinois Stock Company

Executive and Mailing Address:
4343 E Camelback Road
Phoenix, AZ 85018
1-800-438-7180

This Policy is a legal contract between the Owner named in the application (and referred to in this Policy as "You") and the Company named above (and referred to in the following as "We").

We will pay the death benefit set forth in the Policy Schedule, less any debt, to the Beneficiary upon receipt in Our Executive Office of due proof that the death of the Insured occurred while this Policy was in force.

NOTICE OF THIRTY DAY RIGHT TO EXAMINE POLICY - PLEASE READ YOUR POLICY CAREFULLY. If for any reason You are not satisfied, You may at any time within thirty days after receiving it return it to Us at Our Executive Office or to the producer through whom it was purchased. If the Policy is so returned, We will void it from its effective date and refund any premium paid.

BENEFICIARY - or Beneficiaries are named in the application. During the lifetime of the Insured, You may change Beneficiaries by writing to Us. Any change will be subject to: (a) assignment; and (b) the approval of each irrevocably named Beneficiary. If no Beneficiary survives the Insured, the Owner becomes the Beneficiary. If none of the above survive, the Insured's estate shall be the Beneficiary.

We are issuing this Policy in response to the application and payment of the first premium. This Insurance may be kept in force by paying the premiums as they come due.


Secretary


President

TWO-YEAR REDUCED DEATH BENEFIT LIFE INSURANCE
ENDOWMENT AT 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

TABLE OF CONTENTS

Page 1	Notice of Thirty Day Right to Examine Policy Beneficiary
Page 2	Table of Contents
Page 3 & 4	Policy Schedule
Page 5	Contract Grace Period Premiums Incontestability Age or Sex Reinstatement Owner
Page 6	Suicide Assignment Reserves Loan Provisions Non-forfeiture Provisions
Page 7	Non-forfeiture Provisions Continued Basis of Non-forfeiture Values Death Claim Settlement Options
Page 8	Settlement Options Continued Election Contract and Payments Balance at Death
Page 8	Protection of Payments
Page 9	Payment of Proceeds

POLICY SCHEDULE
TABLE OF DEATH BENEFITS AND POLICY VALUES

End of Year	Death Benefit	Cash Value	Paid Up Insurance
1	689	1.70	4
2	1504	257.42	512
3	5000	454.69	878
4	5000	658.37	1235
5	5000	868.96	1584
6	5000	1086.66	1926
7	5000	1311.07	2260
8	5000	1542.40	2589
9	5000	1782.32	2914
10	5000	2032.53	3240
11	5000	2294.94	3570
12	5000	2571.74	3905
13	5000	2865.43	4251
14	5000	3179.67	4614
15	5000	3519.93	5000
16	5000	3591.68	5000
17	5000	3661.22	5000
18	5000	3728.83	5000
19	5000	3794.46	5000
20	5000	3857.74	5000

LINCOLN HERITAGE LIFE INSURANCE COMPANY
EXECUTIVE OFFICE: PHOENIX, ARIZONA

Effective Date (Date of Issue): 8/26/08

Policy Number: 022250 Owner: JOHN DOE
Face Amount : 5,000 Insured: JOHN DOE
Issue Age: 65

PREMIUMS:				Monthly	
	Annual	Semi Annual	Quarterly	Monthly Direct	Bank Draft
Life	627.06	326.07	166.17	53.30	53.30
Policy Fee	36.00	18.00	9.00	5.00	3.00
TOTAL	663.06	344.07	175.17	58.30	56.30

Cash Values based 2001 CSO Table at 5.0%. Reserves use
Commissioner's Reserve Valuation Method, 2001 CSO Table at 4.0% .

TWO-YEAR REDUCED DEATH BENEFIT LIFE INSURANCE
ENDOWMENT AT 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

End of Year	Death Benefit	Cash Value	Paid Up Insurance
21	5000	3918.27	5000
22	5000	3975.73	5000
23	5000	4030.00	5000
24	5000	4081.12	5000
25	5000	4129.29	5000
26	5000	4175.59	5000
27	5000	4221.45	5000
28	5000	4267.83	5000
29	5000	4316.08	5000
30	5000	4368.38	5000
31	5000	4429.19	5000
32	5000	4505.91	5000
33	5000	4609.96	5000
34	5000	4761.90	5000
35	5000	5000.00	5000

LINCOLN HERITAGE LIFE INSURANCE COMPANY

EXECUTIVE OFFICE
PHOENIX, ARIZONA

ARKANSAS ENDORSEMENT

This endorsement is effective as of the date of issue of the Policy and amends the Policy to which it is attached; as required by the Insurance Statutes of the State of Arkansas.

Proceeds payable under this policy upon the death of a person insured hereunder shall include a refund of identifiable premium paid beyond the end of the month in which death occurred. If such proceeds are not paid within a reasonable period of time after due proof of death has been received by the Company, such proceeds shall bear interest at the rate and under such conditions prescribed by law in the state of Arkansas.

If this policy is cancelled at the written request of the Owner prior to its renewal date or expiration date, and the Owner has paid premiums in advance, the Company will refund to the Owner the unearned portion of such premiums paid beyond the end of the month in which cancellation occurred.

GENERAL PROVISIONS

CONTRACT - The entire contract shall consist of these Policy pages and Your attached application. No statement made by You or on behalf of any Insured will be used to void the Policy, nor to defend a claim, unless it is contained in the application. All statements made in the application will be taken as representations and not warranties. The Policy terms cannot be waived by a producer. They cannot be changed except by written agreement signed by an Officer of Our Company.

GRACE PERIOD - If any premium is not paid by the date it is due, You will have 31 days (without interest) to make the payment before the Policy lapses. If any Insured dies during the grace period, We will deduct the monthly mode of premium from the death benefit. The initial premium must be paid before the Policy becomes effective.

PREMIUMS - are payable in advance. They can be paid at Our Executive Office, or to one of Our producers in return for a receipt signed by Our Secretary. A premium not paid when due is in default at the end of the grace period. At that time, the Policy will expire unless coverage is automatically continued by the non-forfeiture provisions. Any premiums paid for any Insured beyond the policy month of the date of death will be returned as part of the death benefit.

INCONTESTABILITY - We cannot contest any claim for death occurring two years after the effective date of this Policy; unless premiums were not paid. If the incontestability period is different for any riders, it will be stated on the rider.

If this Policy is reinstated (explained in the Reinstatement section), any claim may be contested for the same period following reinstatement and with the same conditions and exceptions with respect to contestability after original issuance.

AGE OR SEX - If listed wrong on the application, We will change the benefit to what it would have been if the correct age or sex had been stated. In the event that the age is misstated and We would not have originally issued the Policy, Our liability shall be limited to the return of all the premiums.

REINSTATEMENT - The Policy may be reinstated for any person Insured within 5 years from the date of default, provided: (a) it was not surrendered for cash; and (b) the Insured furnishes proof of insurability acceptable to Us; and (c) past due premiums are paid with interest at the rate of 4 percent per annum; and (d) any debt owed on the date of premium default (plus interest from that date at the rate for Policy loans) is paid or reinstated.

OWNER - is named in the application. You, the Owner, may use all rights and privileges granted in this Policy without the consent of any but an irrevocable Beneficiary. You have the sole right to assign the Policy. You may transfer this Policy to a new Owner. Any change must be requested by You in writing. Such change will be effective the date of the request but is subject to any payment made or action by Us before We endorse the Policy.

If the Owner does not survive the Insured, and no Contingent Owner is named, the Contingent Owner shall be the Owner's Spouse. If the Owner does not have a Spouse, the Contingent Owner shall be the Insured. If the Insured is a minor, the Owner shall be the Owner's Estate.

SUICIDE - If the Insured commits suicide during the first two years following the effective date of the Policy, Our liability shall be limited to the return of all the premiums that were paid.

ASSIGNMENT - We are not obligated to assure the effect, adequacy or correctness of any assignment to this Policy. We are not charged with notice of an assignment unless We acknowledge in writing Our receipt of such assignment.

RESERVES - Cash values and benefits are as described in the Policy Schedule.

LOAN PROVISIONS - While the Policy is in force, You may borrow an amount up to the net cash value, less any debt. The cash value shall be the sole security for the loan.

We can pay You the loan in cash or You may use the proceeds to pay premiums as an automatic premium loan. The automatic premium loan option may be chosen in the application, or You may add or withdraw it at any time by writing to Us prior to the end of the grace period.

The rate of interest on Policy Loans is 7.4% in advance. If interest is not paid, it will be added to the loan.

Loans, including interest, will be deducted as debt from any payment made to the Beneficiary. You may repay the loan and interest at any time unless a non-forfeiture benefit has become effective. We may defer making a cash loan for as long as 6 months, except for a loan made to pay premiums for the Insured.

The Policy will become void 31 days after: (a) any loan exceeds the cash value; and (b) We mail a notice of termination to Your last known address and the last known address of Your assignee, if any.

NON-FORFEITURE PROVISIONS - Any one of the following benefits may be chosen by the Owner. To elect a benefit We must receive Your written request at Our Executive Office no later than 60 days after the due date of the first unpaid premium.

- (a) You may surrender the Policy for its cash surrender value. The cash surrender value is the cash value less any policy loan.
- (b) You may apply the cash surrender value to buy paid-up insurance.

Paid-up insurance may be used as security for a policy loan. Paid-up insurance will have a cash surrender value equal to the net single premium for such insurance, less any debt. If the Policy is surrendered within 31 days after a policy anniversary, We will pay at least the cash value on that anniversary.

The automatic option will be Option (b) if no other is selected.

We may defer paying a cash surrender value for a period not more than 30 days. If We defer payment, We will credit interest at the rate of 4% per year.

BASIS OF NON-FORFEITURE VALUES - The reserve value, the cash value and the amount of paid-up insurance provided under this Policy are computed under age, mortality and interest assumptions set forth in the Policy Schedule. On any date other than the end of a policy year, cash values are computed allowing for the time between policy years and the date to which premiums have been paid.

Cash values have been calculated as minimum in accordance with the Standard Non-Forfeiture Law.

DEATH CLAIM - Settlement of claim shall be made upon receipt of due proof of death. The death benefit will be paid in one lump sum unless a settlement option is chosen.

SETTLEMENT OPTION PROVISIONS

OPTIONS - Subject to the following provisions, the whole or any part (but in no case less than \$2,000) of the proceeds due the Payee in settlement of any Policy at death may be made payable in accordance with one of the following options, or in any other manner agreed upon with the Company. The Company will require satisfactory evidence that the Payee has reached their 18th birthday.

1. Income for Fixed Period. Payable as a monthly, quarterly or annual income for the number of years elected, not more than thirty, each payment as declared by the Company but not less than that determined at an interest rate of three percent (3%) per annum.

2. Life Income. Payable as a monthly income for the period certain elected and as long thereafter as the Payee may live, each payment as declared by the Company but not less than that shown in Table A on the next page. The period certain may be zero, 5, 10, 15 or 20 years.

3. Interest Income. Left with the Company during the lifetime of the Payee or for a specified period, with interest payable at such rate as the Company may declare, not less than three percent (3%) per annum.

4. Income of Fixed Amount. Payable as a monthly, quarterly or annual income of the amount elected (but not less than \$50 per \$1,000 of proceeds applied) until the proceeds, with interest at such rate as the Company may declare, not less than three percent (3%) per annum, are exhausted.

TABLE A
Settlement Options Annuity Whole Life
Monthly Amounts per \$1,000 Applied
Annuity Certain and Life

Age	Life Annuity	5 Years	10 Years	15 Years	20 Years
25	3.14	3.14	3.14	3.13	3.13
30	3.27	3.27	3.27	3.26	3.25
35	3.44	3.44	3.43	3.42	3.41
40	3.65	3.65	3.64	3.62	3.59
45	3.92	3.92	3.90	3.86	3.82
50	4.26	4.25	4.22	4.16	4.08
55	4.70	4.68	4.62	4.52	4.38
60	5.28	5.24	5.14	4.96	4.71
65	6.09	6.02	5.80	5.45	5.02
70	7.23	7.06	6.61	5.96	5.26
75	8.81	8.44	7.49	6.38	5.41
80	11.06	10.17	8.32	6.66	5.48
85	14.15	12.11	8.96	6.80	--
90	18.25	14.03	9.36	--	--
95	23.96	15.77	--	--	--

(Basis: 1983 Table "a", 3%)

ELECTION - No settlement option will be available except with consent of the Company if the Policy is assigned or if the Payee is a corporation, association, partnership, trustee or estate. Election of an option or change of an election may be made in the same manner as a change of Beneficiary. If no election is in effect on the settlement date, the Payee may at that time make an election.

CONTRACT AND PAYMENTS - A supplementary contract stating the terms of settlement under the option elected will be issued to the Payee.

The first payment under Option 1, 2 or 4 will be made and the right to interest under Option 3 or 4 will accrue as of the date the proceeds of the Policy would otherwise become payable.

If any monthly or quarterly payments to any Payee would amount to less than \$50 each, the Company may change the payments to a less frequent basis.

BALANCE AT DEATH - If a settlement option is chosen where payments are made to a Payee, and if at the death of any Payee there is no living person named to receive any remaining payments, the Company will pay one sum to such Payee's estate.

PROTECTION OF PAYMENTS - No Payee, other than the person electing a settlement option, shall have the right to change, assign or encumber any of the payments. To the extent allowed by law, the payments shall not be subject to claims by creditors nor to legal process.

PAYMENT OF PROCEEDS - Upon the death of the Insured, the proceeds payable to the Beneficiary under this Policy, shall include premiums paid for any period beyond the end of the Policy month in which the death occurred, unless the refund of premiums is due some other person pursuant to contract provisions. If payment of the proceeds exceeds thirty days from the date proof of death was furnished, We shall pay interest upon the proceeds, or refunds of premium, at the rate of eight percent (8%) per year.

TWO-YEAR REDUCED DEATH BENEFIT LIFE INSURANCE
ENDOWMENT AT 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

15Y2MDB07-AR

LINCOLN HERITAGE LIFE INSURANCE COMPANY
An Illinois Stock Company

Executive and Mailing Address:
4343 E Camelback Road
Phoenix, AZ 85018
1-800-438-7180

This Policy is a legal contract between the Owner named in the application (and referred to in this Policy as "You") and the Company named above (and referred to in the following as "We").

We will pay the death benefit set forth in the Policy Schedule, less any debt, to the Beneficiary upon receipt in Our Executive Office of due proof that the death of the Insured occurred while this Policy was in force.

NOTICE OF THIRTY DAY RIGHT TO EXAMINE POLICY - PLEASE READ YOUR POLICY CAREFULLY. If for any reason You are not satisfied, You may at any time within thirty days after receiving it return it to Us at Our Executive Office or to the producer through whom it was purchased. If the Policy is so returned, We will void it from its effective date and refund any premium paid.

BENEFICIARY - or Beneficiaries are named in the application. During the lifetime of the Insured, You may change Beneficiaries by writing to Us. Any change will be subject to: (a) assignment; and (b) the approval of each irrevocably named Beneficiary. If no Beneficiary survives the Insured, the Owner becomes the Beneficiary. If none of the above survive, the Insured's estate shall be the Beneficiary.

We are issuing this Policy in response to the application and payment of the first premium. This Insurance may be kept in force by paying the premiums as they come due.


Secretary


President

THREE-YEAR REDUCED DEATH BENEFIT LIFE INSURANCE
ENDOWMENT AT 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

15Y3MDB07-AR

TABLE OF CONTENTS

Page 1	Notice of Thirty Day Right to Examine Policy Beneficiary
Page 2	Table of Contents
Page 3 & 4	Policy Schedule
Page 5	Contract Grace Period Premiums Incontestability Age or Sex Reinstatement Owner
Page 6	Suicide Assignment Reserves Loan Provisions Non-forfeiture Provisions
Page 7	Non-forfeiture Provisions Continued Basis of Non-forfeiture Values Death Claim Settlement Options
Page 8	Settlement Options Continued Election Contract and Payments Balance at Death
Page 8	Protection of Payments
Page 9	Payment of Proceeds

POLICY SCHEDULE
TABLE OF DEATH BENEFITS AND POLICY VALUES

End of Year	Death Benefit	Cash Value	Paid Up Insurance
1	356	.00	0
2	778	47.38	247
3	1168	146.40	727
4	5000	242.52	1155
5	5000	342.62	1566
6	5000	446.83	1962
7	5000	555.42	2343
8	5000	668.62	2712
9	5000	786.91	3068
10	5000	910.82	3414
11	5000	1040.50	3749
12	5000	1176.13	4075
13	5000	1317.80	4391
14	5000	1465.63	4700
15	5000	1619.86	5000
16	5000	1681.50	5000
17	5000	1744.35	5000
18	5000	1808.40	5000
19	5000	1873.97	5000
20	5000	1941.27	5000

LINCOLN HERITAGE LIFE INSURANCE COMPANY
EXECUTIVE OFFICE: PHOENIX, ARIZONA

Effective Date (Date of Issue): 8/26/08

Policy Number: 022255 Owner: JOHN DOE
Face Amount : 5,000 Insured: JOHN DOE
Issue Age: 39

PREMIUMS:	Annual	Semi Annual	Quarterly	Monthly Direct	Monthly Bank Draft
Life	324.71	168.85	86.05	27.60	27.60
Policy Fee	36.00	18.00	9.00	5.00	3.00
TOTAL	360.71	186.85	95.05	32.60	30.60

Cash Values based 2001 CSO Table at 5.0%. Reserves use
Commissioner's Reserve Valuation Method, 2001 CSO Table at 4.0%

THREE-YEAR REDUCED DEATH BENEFIT LIFE INSURANCE
ENDOWMENT AT 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

End of Year	Death Benefit	Cash Value	Paid Up Insurance
21	5000	2010.17	5000
22	5000	2080.31	5000
23	5000	2151.31	5000
24	5000	2222.83	5000
25	5000	2294.83	5000
26	5000	2367.34	5000
27	5000	2440.54	5000
28	5000	2514.67	5000
29	5000	2589.89	5000
30	5000	2666.32	5000
31	5000	2743.93	5000
32	5000	2822.46	5000
33	5000	2901.23	5000
34	5000	2979.75	5000
35	5000	3058.21	5000
36	5000	3136.66	5000
37	5000	3215.05	5000
38	5000	3293.12	5000
39	5000	3370.31	5000
40	5000	3446.02	5000
41	5000	3519.93	5000
42	5000	3591.68	5000
43	5000	3661.22	5000
44	5000	3728.83	5000
45	5000	3794.46	5000
46	5000	3857.74	5000
47	5000	3918.27	5000
48	5000	3975.73	5000
49	5000	4030.00	5000
50	5000	4081.12	5000
51	5000	4129.29	5000
52	5000	4175.59	5000
53	5000	4221.45	5000
54	5000	4267.83	5000
55	5000	4316.08	5000
56	5000	4368.38	5000
57	5000	4429.19	5000
58	5000	4505.91	5000
59	5000	4609.96	5000
60	5000	4761.90	5000
61	5000	5000.00	5000

LINCOLN HERITAGE LIFE INSURANCE COMPANY

EXECUTIVE OFFICE
PHOENIX, ARIZONA

ARKANSAS ENDORSEMENT

This endorsement is effective as of the date of issue of the Policy and amends the Policy to which it is attached; as required by the Insurance Statutes of the State of Arkansas.

Proceeds payable under this policy upon the death of a person insured hereunder shall include a refund of identifiable premium paid beyond the end of the month in which death occurred. If such proceeds are not paid within a reasonable period of time after due proof of death has been received by the Company, such proceeds shall bear interest at the rate and under such conditions prescribed by law in the state of Arkansas.

If this policy is cancelled at the written request of the Owner prior to its renewal date or expiration date, and the Owner has paid premiums in advance, the Company will refund to the Owner the unearned portion of such premiums paid beyond the end of the month in which cancellation occurred.

GENERAL PROVISIONS

CONTRACT - The entire contract shall consist of these Policy pages and Your attached application. No statement made by You or on behalf of any Insured will be used to void the Policy, nor to defend a claim, unless it is contained in the application. All statements made in the application will be taken as representations and not warranties. The Policy terms cannot be waived by a producer. They cannot be changed except by written agreement signed by an Officer of Our Company.

GRACE PERIOD - If any premium is not paid by the date it is due, You will have 31 days (without interest) to make the payment before the Policy lapses. If any Insured dies during the grace period, We will deduct the monthly mode of premium from the death benefit. The initial premium must be paid before the Policy becomes effective.

PREMIUMS - are payable in advance. They can be paid at Our Executive Office, or to one of Our producers in return for a receipt signed by Our Secretary. A premium not paid when due is in default at the end of the grace period. At that time, the Policy will expire unless coverage is automatically continued by the non-forfeiture provisions. Any premiums paid for any Insured beyond the policy month of the date of death will be returned as part of the death benefit.

INCONTESTABILITY - We cannot contest any claim for death occurring two years after the effective date of this Policy; unless premiums were not paid. If the incontestability period is different for any riders, it will be stated on the rider.

If this Policy is reinstated (explained in the Reinstatement section), any claim may be contested for the same period following reinstatement and with the same conditions and exceptions with respect to contestability after original issuance.

AGE OR SEX - If listed wrong on the application, We will change the benefit to what it would have been if the correct age or sex had been stated. In the event that the age is misstated and We would not have originally issued the Policy, Our liability shall be limited to the return of all the premiums.

REINSTATEMENT - The Policy may be reinstated for any person Insured within 5 years from the date of default, provided: (a) it was not surrendered for cash; and (b) the Insured furnishes proof of insurability acceptable to Us; and (c) past due premiums are paid with interest at the rate of 4 percent per annum; and (d) any debt owed on the date of premium default (plus interest from that date at the rate for Policy loans) is paid or reinstated.

OWNER - is named in the application. You, the Owner, may use all rights and privileges granted in this Policy without the consent of any but an irrevocable Beneficiary. You have the sole right to assign the Policy. You may transfer this Policy to a new Owner. Any change must be requested by You in writing. Such change will be effective the date of the request but is subject to any payment made or action by Us before We endorse the Policy.

If the Owner does not survive the Insured, and no Contingent Owner is named, the Contingent Owner shall be the Owner's Spouse. If the Owner does not have a Spouse, the Contingent Owner shall be the Insured. If the Insured is a minor, the Owner shall be the Owner's Estate.

SUICIDE - If the Insured commits suicide during the first two years following the effective date of the Policy, Our liability shall be limited to the return of all the premiums that were paid.

ASSIGNMENT - We are not obligated to assure the effect, adequacy or correctness of any assignment to this Policy. We are not charged with notice of an assignment unless We acknowledge in writing Our receipt of such assignment.

RESERVES - Cash values and benefits are as described in the Policy Schedule.

LOAN PROVISIONS - While the Policy is in force, You may borrow an amount up to the net cash value, less any debt. The cash value shall be the sole security for the loan.

We can pay You the loan in cash or You may use the proceeds to pay premiums as an automatic premium loan. The automatic premium loan option may be chosen in the application, or You may add or withdraw it at any time by writing to Us prior to the end of the grace period.

The rate of interest on Policy Loans is 7.4% in advance. If interest is not paid, it will be added to the loan.

Loans, including interest, will be deducted as debt from any payment made to the Beneficiary. You may repay the loan and interest at any time unless a non-forfeiture benefit has become effective. We may defer making a cash loan for as long as 6 months, except for a loan made to pay premiums for the Insured.

The Policy will become void 31 days after: (a) any loan exceeds the cash value; and (b) We mail a notice of termination to Your last known address and the last known address of Your assignee, if any.

NON-FORFEITURE PROVISIONS - Any one of the following benefits may be chosen by the Owner. To elect a benefit We must receive Your written request at Our Executive Office no later than 60 days after the due date of the first unpaid premium.

- (a) You may surrender the Policy for its cash surrender value. The cash surrender value is the cash value less any policy loan.
- (b) You may apply the cash surrender value to buy paid-up insurance.

Paid-up insurance may be used as security for a policy loan. Paid-up insurance will have a cash surrender value equal to the net single premium for such insurance, less any debt. If the Policy is surrendered within 31 days after a policy anniversary, We will pay at least the cash value on that anniversary.

The automatic option will be Option (b) if no other is selected.

We may defer paying a cash surrender value for a period not more than 30 days. If We defer payment, We will credit interest at the rate of 4% per year.

BASIS OF NON-FORFEITURE VALUES - The reserve value, the cash value and the amount of paid-up insurance provided under this Policy are computed under age, mortality and interest assumptions set forth in the Policy Schedule. On any date other than the end of a policy year, cash values are computed allowing for the time between policy years and the date to which premiums have been paid.

Cash values have been calculated as minimum in accordance with the Standard Non-Forfeiture Law.

DEATH CLAIM - Settlement of claim shall be made upon receipt of due proof of death. The death benefit will be paid in one lump sum unless a settlement option is chosen.

SETTLEMENT OPTION PROVISIONS

OPTIONS - Subject to the following provisions, the whole or any part (but in no case less than \$2,000) of the proceeds due the Payee in settlement of any Policy at death may be made payable in accordance with one of the following options, or in any other manner agreed upon with the Company. The Company will require satisfactory evidence that the Payee has reached their 18th birthday.

- 1. Income for Fixed Period.** Payable as a monthly, quarterly or annual income for the number of years elected, not more than thirty, each payment as declared by the Company but not less than that determined at an interest rate of three percent (3%) per annum.
- 2. Life Income.** Payable as a monthly income for the period certain elected and as long thereafter as the Payee may live, each payment as declared by the Company but not less than that shown in Table A on the next page. The period certain may be zero, 5, 10, 15 or 20 years.
- 3. Interest Income.** Left with the Company during the lifetime of the Payee or for a specified period, with interest payable at such rate as the Company may declare, not less than three percent (3%) per annum.
- 4. Income of Fixed Amount.** Payable as a monthly, quarterly or annual income of the amount elected (but not less than \$50 per \$1,000 of proceeds applied) until the proceeds, with interest at such rate as the Company may declare, not less than three percent (3%) per annum, are exhausted.

TABLE A
Settlement Options Annuity Whole Life
Monthly Amounts per \$1,000 Applied
Annuity Certain and Life

Age	Life Annuity	5 Years	10 Years	15 Years	20 Years
25	3.14	3.14	3.14	3.13	3.13
30	3.27	3.27	3.27	3.26	3.25
35	3.44	3.44	3.43	3.42	3.41
40	3.65	3.65	3.64	3.62	3.59
45	3.92	3.92	3.90	3.86	3.82
50	4.26	4.25	4.22	4.16	4.08
55	4.70	4.68	4.62	4.52	4.38
60	5.28	5.24	5.14	4.96	4.71
65	6.09	6.02	5.80	5.45	5.02
70	7.23	7.06	6.61	5.96	5.26
75	8.81	8.44	7.49	6.38	5.41
80	11.06	10.17	8.32	6.66	5.48
85	14.15	12.11	8.96	6.80	--
90	18.25	14.03	9.36	--	--
95	23.96	15.77	--	--	--

(Basis: 1983 Table "a", 3%)

ELECTION - No settlement option will be available except with consent of the Company if the Policy is assigned or if the Payee is a corporation, association, partnership, trustee or estate. Election of an option or change of an election may be made in the same manner as a change of Beneficiary. If no election is in effect on the settlement date, the Payee may at that time make an election.

CONTRACT AND PAYMENTS - A supplementary contract stating the terms of settlement under the option elected will be issued to the Payee.

The first payment under Option 1, 2 or 4 will be made and the right to interest under Option 3 or 4 will accrue as of the date the proceeds of the Policy would otherwise become payable.

If any monthly or quarterly payments to any Payee would amount to less than \$50 each, the Company may change the payments to a less frequent basis.

BALANCE AT DEATH - If a settlement option is chosen where payments are made to a Payee, and if at the death of any Payee there is no living person named to receive any remaining payments, the Company will pay one sum to such Payee's estate.

PROTECTION OF PAYMENTS - No Payee, other than the person electing a settlement option, shall have the right to change, assign or encumber any of the payments. To the extent allowed by law, the payments shall not be subject to claims by creditors nor to legal process.

PAYMENT OF PROCEEDS - Upon the death of the Insured, the proceeds payable to the Beneficiary under this Policy, shall include premiums paid for any period beyond the end of the Policy month in which the death occurred, unless the refund of premiums is due some other person pursuant to contract provisions. If payment of the proceeds exceeds thirty days from the date proof of death was furnished, We shall pay interest upon the proceeds, or refunds of premium, at the rate of eight percent (8%) per year.

THREE-YEAR REDUCED DEATH BENEFIT LIFE INSURANCE
ENDOWMENT AT 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

15Y3MDB07-AR

 Lincoln Heritage LIFE INSURANCE COMPANY		APPLICATION FOR LIFE INSURANCE FINAL EXPENSE PLEASE PRINT LEGIBLY				Executive Offices: 4343 East Camelback Road Phoenix, AZ 85018-2705	
1. OWNER INFORMATION							
Name					Phone		
Address			City		State		Zip
2. APPLICANT INFORMATION							
Name				Relationship to Owner		Height	Weight
Address				Phone		SSN	
City		State	Zip	Age	Date of Birth		Sex
Primary Beneficiary				Relationship		Coverage Amount	\$
Contingent Beneficiary				Relationship		Monthly Premium	\$
3. RIDER OPTIONS							
Child Rider <input type="checkbox"/> Yes <input type="checkbox"/> No _____ Unit(s) Per Child <i>Health questions also apply to all children on the rider.</i>			AD&D Rider <input type="checkbox"/> Yes <input type="checkbox"/> No _____ Unit(s)			Rider Premium	\$
Name(s) of Child Rider Applicant(s)		Date of Birth	Sex	Relationship to Owner	Primary Beneficiary (is owner unless otherwise stated)		
4. PLAN			PAYMENT METHOD		DUE DATE		
<input type="checkbox"/> Final Expense Non-Tobacco <input type="checkbox"/> 15 Year Pay Modified Death Benefit <input type="checkbox"/> Final Expense Tobacco <input type="checkbox"/> 20 Year Pay Non-Tobacco <input type="checkbox"/> 20 Year Pay Tobacco			<input type="checkbox"/> Checking <input type="checkbox"/> Annual <input type="checkbox"/> Savings <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Quarterly <input type="checkbox"/> Monthly Direct		(1st thru 28th only) of each month		TOTAL MONTHLY PREMIUM \$
5. TOBACCO QUESTION Yes No							
a. Has any proposed insured used any form of tobacco in the past 12 months? <input type="checkbox"/> <input type="checkbox"/>							
6. UNINSURABLE CONDITIONS Yes No							
a. Has any proposed insured been diagnosed, by a physician, with a terminal illness or AIDS (Acquired Immune Deficiency Syndrome)? <input type="checkbox"/> <input type="checkbox"/>							
b. Is any proposed insured currently incarcerated, hospitalized, in a care facility or receiving hospice care? <input type="checkbox"/> <input type="checkbox"/>							
7. SIGNIFICANT HEALTH CONDITIONS-If the answer to any health question is "Yes," your death benefit will be modified. Yes No							
a. Has any proposed insured been hospitalized two or more times in the past six months? <input type="checkbox"/> <input type="checkbox"/>							
b. If under age 25, has any proposed insured been diagnosed with cerebral palsy, cystic fibrosis, muscular dystrophy or multiple sclerosis? <input type="checkbox"/> <input type="checkbox"/>							
c. In the past two years, has any proposed insured had, been diagnosed with, been treated for or taken medication for any of the following conditions:							
1. Heart disease, including heart attack, heart surgery, congestive heart failure or angina pectoris? <input type="checkbox"/> <input type="checkbox"/>							
2. Alzheimer's disease or dementia, organic brain syndrome, ALS (Lou Gehrig's disease) or does any proposed insured need assistance performing their Activities of Daily Living, including feeding, bathing or dressing themselves? <input type="checkbox"/> <input type="checkbox"/>							
3. Disease of the circulatory system, including stroke, TIA (Transient Ichemic Attack) or aneurysm, or has any proposed insured had or been advised to have surgery to improve circulation? <input type="checkbox"/> <input type="checkbox"/>							
4. Cancer or any form of malignancy other than basal cell skin cancer? <input type="checkbox"/> <input type="checkbox"/>							
5. Disease of the lungs, other than asthma, including COPD (Chronic Obstructive Pulmonary Disease) or emphysema; oxygen to assist in breathing; liver disease, including cirrhosis or hepatitis C; kidney disease, including kidney dialysis; organ transplant? <input type="checkbox"/> <input type="checkbox"/>							
6. Alcohol abuse or drug abuse? <input type="checkbox"/> <input type="checkbox"/>							
7. Complications of diabetes including insulin shock, amputation, diabetic coma, blindness or kidney disorder? <input type="checkbox"/> <input type="checkbox"/>							
d. Has any proposed insured been positively diagnosed or treated, by a physician, for HIV (Human Immunodeficiency Virus)? <input type="checkbox"/> <input type="checkbox"/>							
e. Has any proposed insured had or been advised to have a diagnostic test for which results have not yet been received? <input type="checkbox"/> <input type="checkbox"/> (If yes, provide complete details in Section 9)							
8. NON-MEDICAL QUESTION Yes No							
a. Do all proposed insureds permanently reside in the United States? <input type="checkbox"/> <input type="checkbox"/>							
HOME OFFICE USE ONLY							
Plan	Policy #	FCGS Membership #	UW Approval	Issue Type	Date	Initials	

FEAPP07-AR

9. MEDICATIONS – List any medication(s) each proposed insured has been prescribed or taken in the past 2 years and the reason for its use.

10. DOCTOR'S INFORMATION

Physician's Name		Phone	
Clinic Name			
Address		City	State
			Zip

11. REPLACEMENT	Yes	No
Does the proposed insured have existing life insurance policies or annuity contracts?	<input type="checkbox"/>	<input type="checkbox"/>
Will this cause other insurance or annuities to be replaced or changed?	<input type="checkbox"/>	<input type="checkbox"/>
If yes, list company and policy #		

12. PAYOR INFORMATION	AUTOMATIC PREMIUM LOAN	DELIVERY
Name	Is Automatic Premium Loan requested?	Mail Policy to:
Relationship to Owner	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/> Owner <input type="checkbox"/> Producer

13. APPLICANT'S SIGNATURE(S) AND AUTHORIZATION

AUTHORIZATION TO DISCLOSE MEDICAL INFORMATION

I hereby authorize any licensed physician, medical practitioner, hospital, clinic, laboratory, pharmacy, pharmacy benefit manager or other medical facility, reinsurance company, division of motor vehicles, or the veterans administration having information as to diagnosis, treatment or prognosis with respect to the physical or mental condition or having non-medical information concerning me, to release and disclose the entire medical record and any other protected health or other information concerning me within the past five (5) years, without restrictions, to Lincoln Heritage Life Insurance Company or its reinsurers. This includes information on the treatment of alcohol, drug and tobacco abuse, and psychiatric diagnosis and treatment.

I understand that the protected information is to be disclosed under this authorization so that Lincoln Heritage Life Insurance Company may underwrite my application for life insurance, determine eligibility for insurance, risk rating or policy issuance determinations, obtain reinsurance, administer claims and determine or fulfill responsibility for coverage and provision of benefits, administer coverage and conduct other legally permissible activities that relate to any coverage I have, or have applied for, with Lincoln Heritage Life Insurance Company. Any protected information obtained will not be released by Lincoln Heritage Life Insurance Company, or its reinsurers.

I understand that this authorization shall remain in force for **twenty-four (24) months** from the date shown below if used in connection with an application for an insurance policy, an application for reinstatement of an insurance policy, a request for change in policy benefits; or for the duration of a claim if used for the purpose of collecting information in connection with a claim for benefits under a policy.

I understand and agree that a copy of this authorization is as valid as the original and that I or my authorized representative will receive a copy of this authorization with my policy. I understand and agree that this authorization may be revoked by me at anytime in writing, by sending a written notice of revocation to Lincoln Heritage Life Insurance Company, 4343 East Camelback Road, Phoenix, AZ 85018. I agree that Lincoln Heritage Life Insurance Company shall be fully protected if it acts in reliance on this authorization prior to receiving notice of revocation or to the extent that Lincoln Heritage Life Insurance Company has a legal right to contest a claim under an insurance contract. Any information that is disclosed pursuant to this authorization may be redisclosed as provided herein or as required or authorized by law and may then no longer be covered by federal rules governing privacy and confidentiality of health information.

I HAVE READ ALL QUESTIONS AND ANSWERS. I AFFIRM THAT THEY ARE TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF. I UNDERSTAND THAT THE COMPANY WILL RELY ON MY ANSWERS ABOVE IN ISSUING ANY LIFE INSURANCE HEREUNDER AND THE PRODUCER DOES NOT HAVE THE AUTHORITY TO WAIVE OR MODIFY ANY QUESTIONS OR ANSWERS.

ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

Signature of Owner _____	Signature of Applicant _____
Signed in (City/State) _____	Signature of Child Rider Applicant _____
On (Month/Day/Year) _____	(If 18 years of age)

14. PRODUCER'S CONFIRMATION

Are there existing life insurance and/or annuity contracts on the life of the proposed insured? ☐ Yes ☐ No

To the best of my knowledge, replacement ☐ is ☐ is not involved in this transaction. If replacement is involved, I presented and read the applicant a notice regarding replacement.

Producer's Signature	Printed Name	Code Number
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15. FUNERAL CONSUMER GUARDIAN SOCIETY (FCGS) ENROLLMENT

The Funeral Consumer Guardian Society (FCGS) is dedicated to helping its members receive good value for their funeral dollars. Lincoln Heritage has arranged for its policyholders to be enrolled as non-voting members in the FCGS as a FREE BENEFIT! The membership includes identification cards with a toll-free number for your family to call for assistance at the time of need.

Please enroll me as a non-voting FCGS member: ☐ Yes ☐ No

ENDORSEMENT

Attached to and made a part of policy number AR 2Y MDB issued on 08/26/08.

Insured-JOHN DOE

It is understood and agreed that the above listed policy has been issued with an annual premium and face amount as shown on the policy schedule and the death benefit shall be as follows:

1st Year	689
2nd Year	1,504
3rd Year	
and thereafter full death benefit	



President
for LINCOLN HERITAGE LIFE INSURANCE COMPANY

I accept the foregoing endorsement.

Owner

Date

Please sign and return this endorsement to the Company. Payment of further premium for the policy will be considered acceptance of this endorsement by the Owner as though the endorsement had been signed as provided.

ENDORSEMENT

Attached to and made a part of policy number AR 3 MDB issued on 08/26/08.

Insured-JOHN DOE

It is understood and agreed that the above listed policy has been issued with an annual premium and face amount as shown on the policy schedule and the death benefit shall be as follows:

1st Year	356
2nd Year	778
3rd Year	1,168
4th Year	
and thereafter full death benefit	



President
for LINCOLN HERITAGE LIFE INSURANCE COMPANY

I accept the foregoing endorsement.

Owner

Date

Please sign and return this endorsement to the Company. Payment of further premium for the policy will be considered acceptance of this endorsement by the Owner as though the endorsement had been signed as provided.

<i>SERFF Tracking Number:</i>	<i>LHLI-125796397</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Lincoln Heritage Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>40115</i>
<i>Company Tracking Number:</i>	<i>15Y2MDB07-AR SR</i>		
<i>TOI:</i>	<i>L071 Individual Life - Whole</i>	<i>Sub-TOI:</i>	<i>L071.101 Fixed/Indeterminate Premium - Single Life</i>
<i>Product Name:</i>	<i>15 pay modified benefit life insurance policy</i>		
<i>Project Name/Number:</i>	<i>15 pay mdb policy/15Y2MDB07-AR et al</i>		

Rate Information

Rate data does NOT apply to filing.

<i>SERFF Tracking Number:</i>	<i>LHLI-125796397</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Lincoln Heritage Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>40115</i>
<i>Company Tracking Number:</i>	<i>15Y2MDB07-AR SR</i>		
<i>TOI:</i>	<i>L071 Individual Life - Whole</i>	<i>Sub-TOI:</i>	<i>L071.101 Fixed/Indeterminate Premium - Single Life</i>
<i>Product Name:</i>	<i>15 pay modified benefit life insurance policy</i>		
<i>Project Name/Number:</i>	<i>15 pay mdb policy/15Y2MDB07-AR et al</i>		

Supporting Document Schedules

Review Status:

Satisfied -Name: Certification/Notice

08/28/2008

Comments:

Attachments:

ARKANSAS CONSENT TO SUBMIT RATES.pdf
CERT OF FLESCH.pdf

CONSENT TO SUBMIT RATES AND/OR COST BASES FOR APPROVAL

The Lincoln Heritage Life Insurance Company of Springfield, Illinois, does hereby consent and agree:

- A) That all premium rates and/or cost bases both maximum and current or projected used in relation to forms numbered 15Y2MDB07-AR and 15Y3MDB07-AR must be filed with the Insurance Commissioner for the State of Arkansas at least sixty (60) days prior to their proposed effective date. Such rates and/or cost bases shall be deemed effective sixty (60) days after they are filed with the Commissioner, unless the Commissioner shall approve or disapprove such rates and/or cost bases prior to the expiration of sixty (60) days.

OR

- B) That where the policy is a flexible or indeterminate premium whole life policy which provides for frequent changes in interest rates based on financial market conditions, the company may file a change of rates it will stay within and will notify the Department at least sixty (60) days prior to any changes in the range of rates. The company must also document the method used to calculate its premiums and range of rates.

LINCOLN HERITAGE LIFE INSURANCE COMPANY



Sally Roudebush, Compliance Associate

Date: August 28, 2008

CERTIFICATION OF FLESCH READABILITY SCORE

Arkansas

I certify that the forms listed below achieve the following:

- (1) The text achieves a minimum score of 51.2 on the Flesch reading ease test.
- (2) Except for specification pages, schedules, and tables the forms are printed in not less than ten (10) point type, one (1) point leaded.

Policy Form(s): 15Y2MDB07-AR Modified Benefit Life Insurance Policy
 15Y3MDB07-AR Modified Benefit Life Insurance Policy
 FEAPP07-AR Application for Life Insurance
 MDB3YEND07 - Endorsement
 MDBEND06 - Endorsement

LINCOLN HERITAGE LIFE INSURANCE COMPANY



Sally Roudebush, Compliance Associate

August 28, 2008

<i>SERFF Tracking Number:</i>	<i>LHLI-125796397</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Lincoln Heritage Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>40115</i>
<i>Company Tracking Number:</i>	<i>15Y2MDB07-AR SR</i>		
<i>TOI:</i>	<i>L071 Individual Life - Whole</i>	<i>Sub-TOI:</i>	<i>L071.101 Fixed/Indeterminate Premium - Single Life</i>
<i>Product Name:</i>	<i>15 pay modified benefit life insurance policy</i>		
<i>Project Name/Number:</i>	<i>15 pay mdb policy/15Y2MDB07-AR et al</i>		

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	15 Pay MDB Life Insurance	08/28/2008	15Y2MDB07-AR.pdf
No original date	Form	15 Pay MDB Life Insurance	08/28/2008	15Y3MDB07-AR.pdf

LINCOLN HERITAGE LIFE INSURANCE COMPANY
An Illinois Stock Company

Executive and Mailing Address:
4343 E Camelback Road
Phoenix, AZ 85018
1-800-438-7180

This Policy is a legal contract between the Owner named in the application (and referred to in this Policy as "You") and the Company named above (and referred to in the following as "We").

We will pay the death benefit set forth in the Policy Schedule, less any debt, to the Beneficiary upon receipt in Our Executive Office of due proof that the death of the Insured occurred while this Policy was in force.

NOTICE OF THIRTY DAY RIGHT TO EXAMINE POLICY - PLEASE READ YOUR POLICY CAREFULLY. If for any reason You are not satisfied, You may at any time within thirty days after receiving it return it to Us at Our Executive Office or to the producer through whom it was purchased. If the Policy is so returned, We will void it from its effective date and refund any premium paid.

BENEFICIARY - or Beneficiaries are named in the application. During the lifetime of the Insured, You may change Beneficiaries by writing to Us. Any change will be subject to: (a) assignment; and (b) the approval of each irrevocably named Beneficiary. If no Beneficiary survives the Insured, the Owner becomes the Beneficiary. If none of the above survive, the Insured's estate shall be the Beneficiary.

We are issuing this Policy in response to the application and payment of the first premium. This Insurance may be kept in force by paying the premiums as they come due.


Secretary


President

MODIFIED DEATH BENEFIT LIFE INSURANCE
ENDOWMENT AT 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

15Y2MDB07-AR

TABLE OF CONTENTS

Page 1	Notice of Thirty Day Right to Examine Policy Beneficiary
Page 2	Table of Contents
Page 3 & 4	Policy Schedule
Page 5	Contract Grace Period Premiums Incontestability Age or Sex Reinstatement Owner
Page 6	Suicide Assignment Reserves Loan Provisions Non-forfeiture Provisions
Page 7	Non-forfeiture Provisions Continued Basis of Non-forfeiture Values Death Claim Settlement Options
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Page 9	Payment of Proceeds

POLICY SCHEDULE
TABLE OF DEATH BENEFITS AND POLICY VALUES

End of Year	Death Benefit	Cash Value	Paid Up Insurance
1	689	1.70	4
2	1504	257.42	512
3	5000	454.69	878
4	5000	658.37	1235
5	5000	868.96	1584
6	5000	1086.66	1926
7	5000	1311.07	2260
8	5000	1542.40	2589
9	5000	1782.32	2914
10	5000	2032.53	3240
11	5000	2294.94	3570
12	5000	2571.74	3905
13	5000	2865.43	4251
14	5000	3179.67	4614
15	5000	3519.93	5000
16	5000	3591.68	5000
17	5000	3661.22	5000
18	5000	3728.83	5000
19	5000	3794.46	5000
20	5000	3857.74	5000

LINCOLN HERITAGE LIFE INSURANCE COMPANY
EXECUTIVE OFFICE: PHOENIX, ARIZONA

Effective Date (Date of Issue): 8/26/08

Policy Number: AR 2Y MDB Owner: JOHN DOE
Face Amount : 5,000 Insured: JOHN DOE
Issue Age: 65

PREMIUMS:	Annual	Semi Annual	Quarterly	Monthly Direct	Monthly Bank Draft
Life	627.06	326.07	166.17	53.30	53.30
Policy Fee	36.00	18.00	9.00	5.00	3.00
TOTAL	663.06	344.07	175.17	58.30	56.30

Cash Values based 2001 CSO Table at 5.0%. Reserves use
Commissioner's Reserve Valuation Method, 2001 CSO Table at 4.0% .

MODIFIED DEATH BENEFIT LIFE INSURANCE

ENDOWMENT AT AGE 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

End of Year	Death Benefit	Cash Value	Paid Up Insurance
21	5000	3918.27	5000
22	5000	3975.73	5000
23	5000	4030.00	5000
24	5000	4081.12	5000
25	5000	4129.29	5000
26	5000	4175.59	5000
27	5000	4221.45	5000
28	5000	4267.83	5000
29	5000	4316.08	5000
30	5000	4368.38	5000
31	5000	4429.19	5000
32	5000	4505.91	5000
33	5000	4609.96	5000
34	5000	4761.90	5000
35	5000	5000.00	5000

LINCOLN HERITAGE LIFE INSURANCE COMPANY

EXECUTIVE OFFICE
PHOENIX, ARIZONA

ARKANSAS ENDORSEMENT

This endorsement is effective as of the date of issue of the Policy and amends the Policy to which it is attached; as required by the Insurance Statutes of the State of Arkansas.

Proceeds payable under this policy upon the death of a person insured hereunder shall include a refund of identifiable premium paid beyond the end of the month in which death occurred. If such proceeds are not paid within a reasonable period of time after due proof of death has been received by the Company, such proceeds shall bear interest at the rate and under such conditions prescribed by law in the state of Arkansas.

If this policy is cancelled at the written request of the Owner prior to its renewal date or expiration date, and the Owner has paid premiums in advance, the Company will refund to the Owner the unearned portion of such premiums paid beyond the end of the month in which cancellation occurred.

GENERAL PROVISIONS

CONTRACT - The entire contract shall consist of these Policy pages and Your attached application. No statement made by You or on behalf of any Insured will be used to void the Policy, nor to defend a claim, unless it is contained in the application. All statements made in the application will be taken as representations and not warranties. The Policy terms cannot be waived by a producer. They cannot be changed except by written agreement signed by an Officer of Our Company.

GRACE PERIOD - If any premium is not paid by the date it is due, You will have 31 days (without interest) to make the payment before the Policy lapses. If any Insured dies during the grace period, We will deduct the monthly mode of premium from the death benefit. The initial premium must be paid before the Policy becomes effective.

PREMIUMS - are payable in advance. They can be paid at Our Executive Office, or to one of Our producers in return for a receipt signed by Our Secretary. A premium not paid when due is in default at the end of the grace period. At that time, the Policy will expire unless coverage is automatically continued by the non-forfeiture provisions. Any premiums paid for any Insured beyond the policy month of the date of death will be returned as part of the death benefit.

INCONTESTABILITY - We cannot contest any claim for death occurring two years after the effective date of this Policy; unless premiums were not paid. If the incontestability period is different for any riders, it will be stated on the rider.

If this Policy is reinstated (explained in the Reinstatement section), any claim may be contested for the same period following reinstatement and with the same conditions and exceptions with respect to contestability after original issuance.

AGE OR SEX - If listed wrong on the application, We will change the benefit to what it would have been if the correct age or sex had been stated. In the event that the age is misstated and We would not have originally issued the Policy, Our liability shall be limited to the return of all the premiums.

REINSTATEMENT - The Policy may be reinstated for any person Insured within 5 years from the date of default, provided: (a) it was not surrendered for cash; and (b) the Insured furnishes proof of insurability acceptable to Us; and (c) past due premiums are paid with interest at the rate of 4 percent per annum; and (d) any debt owed on the date of premium default (plus interest from that date at the rate for Policy loans) is paid or reinstated.

OWNER - is named in the application. You, the Owner, may use all rights and privileges granted in this Policy without the consent of any but an irrevocable Beneficiary. You have the sole right to assign the Policy. You may transfer this Policy to a new Owner. Any change must be requested by You in writing. Such change will be effective the date of the request but is subject to any payment made or action by Us before We endorse the Policy.

If the Owner does not survive the Insured, and no Contingent Owner is named, the Contingent Owner shall be the Owner's Spouse. If the Owner does not have a Spouse, the Contingent Owner shall be the Insured. If the Insured is a minor, the Owner shall be the Owner's Estate.

SUICIDE - If the Insured commits suicide during the first two years following the effective date of the Policy, Our liability shall be limited to the return of all the premiums that were paid.

ASSIGNMENT - We are not obligated to assure the effect, adequacy or correctness of any assignment to this Policy. We are not charged with notice of an assignment unless We acknowledge in writing Our receipt of such assignment.

RESERVES - Cash values and benefits are as described in the Policy Schedule.

LOAN PROVISIONS - While the Policy is in force, You may borrow an amount up to the net cash value, less any debt. The cash value shall be the sole security for the loan.

We can pay You the loan in cash or You may use the proceeds to pay premiums as an automatic premium loan. The automatic premium loan option may be chosen in the application, or You may add or withdraw it at any time by writing to Us prior to the end of the grace period.

The rate of interest on Policy Loans is 7.4% in advance. If interest is not paid, it will be added to the loan.

Loans, including interest, will be deducted as debt from any payment made to the Beneficiary. You may repay the loan and interest at any time unless a non-forfeiture benefit has become effective. We may defer making a cash loan for as long as 6 months, except for a loan made to pay premiums for the Insured.

The Policy will become void 31 days after: (a) any loan exceeds the cash value; and (b) We mail a notice of termination to Your last known address and the last known address of Your assignee, if any.

NON-FORFEITURE PROVISIONS - Any one of the following benefits may be chosen by the Owner. To elect a benefit We must receive Your written request at Our Executive Office no later than 60 days after the due date of the first unpaid premium.

- (a) You may surrender the Policy for its cash surrender value. The cash surrender value is the cash value less any policy loan.
- (b) You may apply the cash surrender value to buy paid-up insurance.

Paid-up insurance may be used as security for a policy loan. Paid-up insurance will have a cash surrender value equal to the net single premium for such insurance, less any debt. If the Policy is surrendered within 31 days after a policy anniversary, We will pay at least the cash value on that anniversary.

The automatic option will be Option (b) if no other is selected.

We may defer paying a cash surrender value for a period not more than 30 days. If We defer payment, We will credit interest at the rate of 4% per year.

BASIS OF NON-FORFEITURE VALUES - The reserve value, the cash value and the amount of paid-up insurance provided under this Policy are computed under age, mortality and interest assumptions set forth in the Policy Schedule. On any date other than the end of a policy year, cash values are computed allowing for the time between policy years and the date to which premiums have been paid.

Cash values have been calculated as minimum in accordance with the Standard Non-Forfeiture Law.

DEATH CLAIM - Settlement of claim shall be made upon receipt of due proof of death. The death benefit will be paid in one lump sum unless a settlement option is chosen.

SETTLEMENT OPTION PROVISIONS

OPTIONS - Subject to the following provisions, the whole or any part (but in no case less than \$2,000) of the proceeds due the Payee in settlement of any Policy at death may be made payable in accordance with one of the following options, or in any other manner agreed upon with the Company. The Company will require satisfactory evidence that the Payee has reached their 18th birthday.

1. Income for Fixed Period. Payable as a monthly, quarterly or annual income for the number of years elected, not more than thirty, each payment as declared by the Company but not less than that determined at an interest rate of three percent (3%) per annum.

2. Life Income. Payable as a monthly income for the period certain elected and as long thereafter as the Payee may live, each payment as declared by the Company but not less than that shown in Table A on the next page. The period certain may be zero, 5, 10, 15 or 20 years.

3. Interest Income. Left with the Company during the lifetime of the Payee or for a specified period, with interest payable at such rate as the Company may declare, not less than three percent (3%) per annum.

4. Income of Fixed Amount. Payable as a monthly, quarterly or annual income of the amount elected (but not less than \$50 per \$1,000 of proceeds applied) until the proceeds, with interest at such rate as the Company may declare, not less than three percent (3%) per annum, are exhausted.

TABLE A
Settlement Options Annuity Whole Life
Monthly Amounts per \$1,000 Applied
Annuity Certain and Life

Age	Life Annuity	5 Years	10 Years	15 Years	20 Years
25	3.14	3.14	3.14	3.13	3.13
30	3.27	3.27	3.27	3.26	3.25
35	3.44	3.44	3.43	3.42	3.41
40	3.65	3.65	3.64	3.62	3.59
45	3.92	3.92	3.90	3.86	3.82
50	4.26	4.25	4.22	4.16	4.08
55	4.70	4.68	4.62	4.52	4.38
60	5.28	5.24	5.14	4.96	4.71
65	6.09	6.02	5.80	5.45	5.02
70	7.23	7.06	6.61	5.96	5.26
75	8.81	8.44	7.49	6.38	5.41
80	11.06	10.17	8.32	6.66	5.48
85	14.15	12.11	8.96	6.80	--
90	18.25	14.03	9.36	--	--
95	23.96	15.77	--	--	--

(Basis: 1983 Table "a", 3%)

ELECTION - No settlement option will be available except with consent of the Company if the Policy is assigned or if the Payee is a corporation, association, partnership, trustee or estate. Election of an option or change of an election may be made in the same manner as a change of Beneficiary. If no election is in effect on the settlement date, the Payee may at that time make an election.

CONTRACT AND PAYMENTS - A supplementary contract stating the terms of settlement under the option elected will be issued to the Payee.

The first payment under Option 1, 2 or 4 will be made and the right to interest under Option 3 or 4 will accrue as of the date the proceeds of the Policy would otherwise become payable.

If any monthly or quarterly payments to any Payee would amount to less than \$50 each, the Company may change the payments to a less frequent basis.

BALANCE AT DEATH - If a settlement option is chosen where payments are made to a Payee, and if at the death of any Payee there is no living person named to receive any remaining payments, the Company will pay one sum to such Payee's estate.

PROTECTION OF PAYMENTS - No Payee, other than the person electing a settlement option, shall have the right to change, assign or encumber any of the payments. To the extent allowed by law, the payments shall not be subject to claims by creditors nor to legal process.

PAYMENT OF PROCEEDS - Upon the death of the Insured, the proceeds payable to the Beneficiary under this Policy, shall include premiums paid for any period beyond the end of the Policy month in which the death occurred, unless the refund of premiums is due some other person pursuant to contract provisions. If payment of the proceeds exceeds thirty days from the date proof of death was furnished, We shall pay interest upon the proceeds, or refunds of premium, at the rate of eight percent (8%) per year.

MODIFIED DEATH BENEFIT LIFE INSURANCE
ENDOWMENT AT 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

15Y2MDB07-AR

LINCOLN HERITAGE LIFE INSURANCE COMPANY
An Illinois Stock Company

Executive and Mailing Address:

4343 E Camelback Road
Phoenix, AZ 85018
1-800-438-7180

This Policy is a legal contract between the Owner named in the application (and referred to in this Policy as "You") and the Company named above (and referred to in the following as "We").

We will pay the death benefit set forth in the Policy Schedule, less any debt, to the Beneficiary upon receipt in Our Executive Office of due proof that the death of the Insured occurred while this Policy was in force.

NOTICE OF THIRTY DAY RIGHT TO EXAMINE POLICY - PLEASE READ YOUR POLICY CAREFULLY. If for any reason You are not satisfied, You may at any time within thirty days after receiving it return it to Us at Our Executive Office or to the producer through whom it was purchased. If the Policy is so returned, We will void it from its effective date and refund any premium paid.

BENEFICIARY - or Beneficiaries are named in the application. During the lifetime of the Insured, You may change Beneficiaries by writing to Us. Any change will be subject to: (a) assignment; and (b) the approval of each irrevocably named Beneficiary. If no Beneficiary survives the Insured, the Owner becomes the Beneficiary. If none of the above survive, the Insured's estate shall be the Beneficiary.

We are issuing this Policy in response to the application and payment of the first premium. This Insurance may be kept in force by paying the premiums as they come due.



Secretary



President

MODIFIED DEATH BENEFIT LIFE INSURANCE
ENDOWMENT AT 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

15Y3MDB07-AR

TABLE OF CONTENTS

Page 1	Notice of Thirty Day Right to Examine Policy Beneficiary
Page 2	Table of Contents
Page 3 & 4	Policy Schedule
Page 5	Contract Grace Period Premiums Incontestability Age or Sex Reinstatement Owner
Page 6	Suicide Assignment Reserves Loan Provisions Non-forfeiture Provisions
Page 7	Non-forfeiture Provisions Continued Basis of Non-forfeiture Values Death Claim Settlement Options
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Page 8	Protection of Payments
Page 9	Payment of Proceeds

POLICY SCHEDULE
TABLE OF DEATH BENEFITS AND POLICY VALUES

End of Year	Death Benefit	Cash Value	Paid Up Insurance
1	356	.00	0
2	778	47.38	247
3	1168	146.40	727
4	5000	242.52	1155
5	5000	342.62	1566
6	5000	446.83	1962
7	5000	555.42	2343
8	5000	668.62	2712
9	5000	786.91	3068
10	5000	910.82	3414
11	5000	1040.50	3749
12	5000	1176.13	4075
13	5000	1317.80	4391
14	5000	1465.63	4700
15	5000	1619.86	5000
16	5000	1681.50	5000
17	5000	1744.35	5000
18	5000	1808.40	5000
19	5000	1873.97	5000
20	5000	1941.27	5000

LINCOLN HERITAGE LIFE INSURANCE COMPANY
EXECUTIVE OFFICE: PHOENIX, ARIZONA

Effective Date (Date of Issue): 8/26/08

Policy Number: **AR 3 MDB** Owner: JOHN DOE
Face Amount : 5,000 Insured: JOHN DOE
Issue Age: 39

PREMIUMS:	Annual	Semi Annual	Quarterly	Monthly Direct	Monthly Bank Draft
Life	324.71	168.85	86.05	27.60	27.60
Policy Fee	36.00	18.00	9.00	5.00	3.00
TOTAL	360.71	186.85	95.05	32.60	30.60

Cash Values based 2001 CSO Table at 5.0%. Reserves use
Commissioner's Reserve Valuation Method, 2001 CSO Table at 4.0% .

MODIFIED DEATH BENEFIT LIFE INSURANCE

ENDOWMENT AT AGE 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

End of Year	Death Benefit	Cash Value	Paid Up Insurance
21	5000	2010.17	5000
22	5000	2080.31	5000
23	5000	2151.31	5000
24	5000	2222.83	5000
25	5000	2294.83	5000
26	5000	2367.34	5000
27	5000	2440.54	5000
28	5000	2514.67	5000
29	5000	2589.89	5000
30	5000	2666.32	5000
31	5000	2743.93	5000
32	5000	2822.46	5000
33	5000	2901.23	5000
34	5000	2979.75	5000
35	5000	3058.21	5000
36	5000	3136.66	5000
37	5000	3215.05	5000
38	5000	3293.12	5000
39	5000	3370.31	5000
40	5000	3446.02	5000
41	5000	3519.93	5000
42	5000	3591.68	5000
43	5000	3661.22	5000
44	5000	3728.83	5000
45	5000	3794.46	5000
46	5000	3857.74	5000
47	5000	3918.27	5000
48	5000	3975.73	5000
49	5000	4030.00	5000
50	5000	4081.12	5000
51	5000	4129.29	5000
52	5000	4175.59	5000
53	5000	4221.45	5000
54	5000	4267.83	5000
55	5000	4316.08	5000
56	5000	4368.38	5000
57	5000	4429.19	5000
58	5000	4505.91	5000
59	5000	4609.96	5000
60	5000	4761.90	5000
61	5000	5000.00	5000

LINCOLN HERITAGE LIFE INSURANCE COMPANY

EXECUTIVE OFFICE
PHOENIX, ARIZONA

ARKANSAS ENDORSEMENT

This endorsement is effective as of the date of issue of the Policy and amends the Policy to which it is attached; as required by the Insurance Statutes of the State of Arkansas.

Proceeds payable under this policy upon the death of a person insured hereunder shall include a refund of identifiable premium paid beyond the end of the month in which death occurred. If such proceeds are not paid within a reasonable period of time after due proof of death has been received by the Company, such proceeds shall bear interest at the rate and under such conditions prescribed by law in the state of Arkansas.

If this policy is cancelled at the written request of the Owner prior to its renewal date or expiration date, and the Owner has paid premiums in advance, the Company will refund to the Owner the unearned portion of such premiums paid beyond the end of the month in which cancellation occurred.

GENERAL PROVISIONS

CONTRACT - The entire contract shall consist of these Policy pages and Your attached application. No statement made by You or on behalf of any Insured will be used to void the Policy, nor to defend a claim, unless it is contained in the application. All statements made in the application will be taken as representations and not warranties. The Policy terms cannot be waived by a producer. They cannot be changed except by written agreement signed by an Officer of Our Company.

GRACE PERIOD - If any premium is not paid by the date it is due, You will have 31 days (without interest) to make the payment before the Policy lapses. If any Insured dies during the grace period, We will deduct the monthly mode of premium from the death benefit. The initial premium must be paid before the Policy becomes effective.

PREMIUMS - are payable in advance. They can be paid at Our Executive Office, or to one of Our producers in return for a receipt signed by Our Secretary. A premium not paid when due is in default at the end of the grace period. At that time, the Policy will expire unless coverage is automatically continued by the non-forfeiture provisions. Any premiums paid for any Insured beyond the policy month of the date of death will be returned as part of the death benefit.

INCONTESTABILITY - We cannot contest any claim for death occurring two years after the effective date of this Policy; unless premiums were not paid. If the incontestability period is different for any riders, it will be stated on the rider.

If this Policy is reinstated (explained in the Reinstatement section), any claim may be contested for the same period following reinstatement and with the same conditions and exceptions with respect to contestability after original issuance.

AGE OR SEX - If listed wrong on the application, We will change the benefit to what it would have been if the correct age or sex had been stated. In the event that the age is misstated and We would not have originally issued the Policy, Our liability shall be limited to the return of all the premiums.

REINSTATEMENT - The Policy may be reinstated for any person Insured within 5 years from the date of default, provided: (a) it was not surrendered for cash; and (b) the Insured furnishes proof of insurability acceptable to Us; and (c) past due premiums are paid with interest at the rate of 4 percent per annum; and (d) any debt owed on the date of premium default (plus interest from that date at the rate for Policy loans) is paid or reinstated.

OWNER - is named in the application. You, the Owner, may use all rights and privileges granted in this Policy without the consent of any but an irrevocable Beneficiary. You have the sole right to assign the Policy. You may transfer this Policy to a new Owner. Any change must be requested by You in writing. Such change will be effective the date of the request but is subject to any payment made or action by Us before We endorse the Policy.

If the Owner does not survive the Insured, and no Contingent Owner is named, the Contingent Owner shall be the Owner's Spouse. If the Owner does not have a Spouse, the Contingent Owner shall be the Insured. If the Insured is a minor, the Owner shall be the Owner's Estate.

SUICIDE - If the Insured commits suicide during the first two years following the effective date of the Policy, Our liability shall be limited to the return of all the premiums that were paid.

ASSIGNMENT - We are not obligated to assure the effect, adequacy or correctness of any assignment to this Policy. We are not charged with notice of an assignment unless We acknowledge in writing Our receipt of such assignment.

RESERVES - Cash values and benefits are as described in the Policy Schedule.

LOAN PROVISIONS - While the Policy is in force, You may borrow an amount up to the net cash value, less any debt. The cash value shall be the sole security for the loan.

We can pay You the loan in cash or You may use the proceeds to pay premiums as an automatic premium loan. The automatic premium loan option may be chosen in the application, or You may add or withdraw it at any time by writing to Us prior to the end of the grace period.

The rate of interest on Policy Loans is 7.4% in advance. If interest is not paid, it will be added to the loan.

Loans, including interest, will be deducted as debt from any payment made to the Beneficiary. You may repay the loan and interest at any time unless a non-forfeiture benefit has become effective. We may defer making a cash loan for as long as 6 months, except for a loan made to pay premiums for the Insured.

The Policy will become void 31 days after: (a) any loan exceeds the cash value; and (b) We mail a notice of termination to Your last known address and the last known address of Your assignee, if any.

NON-FORFEITURE PROVISIONS - Any one of the following benefits may be chosen by the Owner. To elect a benefit We must receive Your written request at Our Executive Office no later than 60 days after the due date of the first unpaid premium.

- (a) You may surrender the Policy for its cash surrender value. The cash surrender value is the cash value less any policy loan.
- (b) You may apply the cash surrender value to buy paid-up insurance.

Paid-up insurance may be used as security for a policy loan. Paid-up insurance will have a cash surrender value equal to the net single premium for such insurance, less any debt. If the Policy is surrendered within 31 days after a policy anniversary, We will pay at least the cash value on that anniversary.

The automatic option will be Option (b) if no other is selected.

We may defer paying a cash surrender value for a period not more than 30 days. If We defer payment, We will credit interest at the rate of 4% per year.

BASIS OF NON-FORFEITURE VALUES - The reserve value, the cash value and the amount of paid-up insurance provided under this Policy are computed under age, mortality and interest assumptions set forth in the Policy Schedule. On any date other than the end of a policy year, cash values are computed allowing for the time between policy years and the date to which premiums have been paid.

Cash values have been calculated as minimum in accordance with the Standard Non-Forfeiture Law.

DEATH CLAIM - Settlement of claim shall be made upon receipt of due proof of death. The death benefit will be paid in one lump sum unless a settlement option is chosen.

SETTLEMENT OPTION PROVISIONS

OPTIONS - Subject to the following provisions, the whole or any part (but in no case less than \$2,000) of the proceeds due the Payee in settlement of any Policy at death may be made payable in accordance with one of the following options, or in any other manner agreed upon with the Company. The Company will require satisfactory evidence that the Payee has reached their 18th birthday.

1. Income for Fixed Period. Payable as a monthly, quarterly or annual income for the number of years elected, not more than thirty, each payment as declared by the Company but not less than that determined at an interest rate of three percent (3%) per annum.

2. Life Income. Payable as a monthly income for the period certain elected and as long thereafter as the Payee may live, each payment as declared by the Company but not less than that shown in Table A on the next page. The period certain may be zero, 5, 10, 15 or 20 years.

3. Interest Income. Left with the Company during the lifetime of the Payee or for a specified period, with interest payable at such rate as the Company may declare, not less than three percent (3%) per annum.

4. Income of Fixed Amount. Payable as a monthly, quarterly or annual income of the amount elected (but not less than \$50 per \$1,000 of proceeds applied) until the proceeds, with interest at such rate as the Company may declare, not less than three percent (3%) per annum, are exhausted.

TABLE A
Settlement Options Annuity Whole Life
Monthly Amounts per \$1,000 Applied
Annuity Certain and Life

Age	Life Annuity	5 Years	10 Years	15 Years	20 Years
25	3.14	3.14	3.14	3.13	3.13
30	3.27	3.27	3.27	3.26	3.25
35	3.44	3.44	3.43	3.42	3.41
40	3.65	3.65	3.64	3.62	3.59
45	3.92	3.92	3.90	3.86	3.82
50	4.26	4.25	4.22	4.16	4.08
55	4.70	4.68	4.62	4.52	4.38
60	5.28	5.24	5.14	4.96	4.71
65	6.09	6.02	5.80	5.45	5.02
70	7.23	7.06	6.61	5.96	5.26
75	8.81	8.44	7.49	6.38	5.41
80	11.06	10.17	8.32	6.66	5.48
85	14.15	12.11	8.96	6.80	--
90	18.25	14.03	9.36	--	--
95	23.96	15.77	--	--	--

(Basis: 1983 Table "a", 3%)

ELECTION - No settlement option will be available except with consent of the Company if the Policy is assigned or if the Payee is a corporation, association, partnership, trustee or estate. Election of an option or change of an election may be made in the same manner as a change of Beneficiary. If no election is in effect on the settlement date, the Payee may at that time make an election.

CONTRACT AND PAYMENTS - A supplementary contract stating the terms of settlement under the option elected will be issued to the Payee.

The first payment under Option 1, 2 or 4 will be made and the right to interest under Option 3 or 4 will accrue as of the date the proceeds of the Policy would otherwise become payable.

If any monthly or quarterly payments to any Payee would amount to less than \$50 each, the Company may change the payments to a less frequent basis.

BALANCE AT DEATH - If a settlement option is chosen where payments are made to a Payee, and if at the death of any Payee there is no living person named to receive any remaining payments, the Company will pay one sum to such Payee's estate.

PROTECTION OF PAYMENTS - No Payee, other than the person electing a settlement option, shall have the right to change, assign or encumber any of the payments. To the extent allowed by law, the payments shall not be subject to claims by creditors nor to legal process.

PAYMENT OF PROCEEDS - Upon the death of the Insured, the proceeds payable to the Beneficiary under this Policy, shall include premiums paid for any period beyond the end of the Policy month in which the death occurred, unless the refund of premiums is due some other person pursuant to contract provisions. If payment of the proceeds exceeds thirty days from the date proof of death was furnished, We shall pay interest upon the proceeds, or refunds of premium, at the rate of eight percent (8%) per year.

MODIFIED DEATH BENEFIT LIFE INSURANCE
ENDOWMENT AT 100
PREMIUMS PAYABLE FOR FIFTEEN YEARS
NON-PARTICIPATING

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